

Regional AGENDA

METROPOLITAN KING COUNTY COUNCIL

September-October 2001

Budget and Fiscal Management Committee



Rob McKenna, Chair



*Jane Hague,
Vice Chair, Budget
Development and
Analysis*



*Larry Phillips,
Vice Chair, Capital
Budget*

County Budget Writers Face Deficit Decision

Budget Chair calls for "Managing the Challenge"

King County's projected expenses for FY2002 outweigh expected revenues by more than \$40 million. Anticipating the difficulty in matching the County's needs to its revenues, the Metropolitan King County Council's Budget & Fiscal Management Committee is already three months into their work of, in the words of the chairman,

"managing the challenge."

Committee Chair Rob McKenna says the significant shortfall is due in large part to expenses growing at a faster rate than revenues, and that a budget "fix" will have to look beyond a one-year solution. Throughout deliberations, McKenna says the council will need to anticipate growth and inflation rates, and consider budget policies and planning. McKenna says he will avoid proposals that would raise taxes beyond the inflation rate.

Continued on page 2

Council Protects Ratepayers From Power Rates

Approves 2002 Sewer Rates Package

The Metropolitan King County Council approved a series of ordinances this summer that will protect sewer service ratepayers from the impact of electricity price swings, while still providing the funds needed by the wastewater treatment division to maintain facilities.

"Our action protects citizens from paying rates at the mercy of the wildly fluctuating

electricity market," said Councilmember David Irons, chair of the council's Utility and Technology Committee. "Our action ensures there will be contingency funds available to respond to unanticipated challenges."

Councilmember Larry Phillips, Vice Chair of the Council's Budget and Fiscal Management Committee, said, "These changes allow us to start preparing for next year as we maintain the

Continued on page 5

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District 1 Maggi Fimia 296-1001
District 2 Cynthia Sullivan 296-1002
District 3 Louise Miller 296-1003
District 4 Larry Phillips 296-1004
District 5 Dwight Pelz 296-1005

District 6 Rob McKenna 296-1006
District 7 Pete von Reichbauer 296-1007
District 8 Greg Nickels 296-1008
District 9 Kent Pullen 296-1009
District 10 Larry Gossett 296-1010

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Regional Solutions Sought for Transportation Woes

Continuing the vision of reaching regional solutions to regional challenges, the Metropolitan King County Council's Committee-of-the-Whole is preparing for a second joint meeting with the Snohomish County Council this year. The meeting is the continuation of regional discussions on transportation issues.

The agenda of the upcoming meeting will address the inaction of state lawmakers in Olympia when they failed to adopt a multi-billion dollar transportation plan.

imperative we discuss our regional strategy to address our urgent transportation needs, and to prove to citizens and the state legislature that we can, and are, serious about counties taking the lead role," said Council Chair Pete von Reichbauer.

The two county councils met earlier this year to demonstrate to state lawmakers a regional commitment to solving transportation issues. State Transportation Secretary Doug McDonald and state legislators were given the joint-county view on the common-sense solution for county governments to coordinate regional transportation projects.

Councilmembers have conducted similar regional discussions with the Pierce County Council.

"Given the stalemate at the state level, it's

County Budget Writers Face Deficit Decision

Continued from page 1

"Inflation has held steady at around three to four percent. King County's salary and wage cost per employee is increasing by six percent annually while benefits costs are projected to grow an average of 15 percent per year through 2004. We're facing a shortfall caused by expenses growing twice as fast as revenues. This fact must serve as a wake up call to all of us."

"For the combined budget years of 2002 and 2003, there's a projected gap of more than \$70 million between expenses and revenues. That equals roughly ten percent of the budget areas that we're allowed to reduce," said McKenna.

Councilmember Jane Hague, co-vice Chair of the Budget Committee, said, "We're working to find areas where we can improve efficiencies, reduce overhead and protect services. During our regular committee meetings and our field hearings, we'll be looking for public

input on areas where we might enact cost savings."

"Cutting \$39 million means reducing County services or coming up with some creative efficiencies," said Budget Committee vice Chair Councilmember Larry Phillips. "The executive's reorganization proposal is a good start and will push us about \$6 million closer to our goal."

The council expects to receive the executive's proposed budget in early October. Until that time, the budget committee will continue examining current expenses for efficiencies.

As part of the budget review process, the committee will hold a series of public hearings throughout King County. When available, the schedule for those meetings will be posted on the Council's web site at <http://www.metrokc.gov/mkcc>.

Council Continues to Study Rural Church and School Issue

No other matter has drawn more input to the council this year than the issue of siting churches and schools in King County's rural areas. The council received thousands of comments through e-mail and public testimony. Varied interests brought unique views to the complex issue, productively adding perspective to the issue. Though the executive vetoed a rural area restrictions measure adopted by the council, all sides have agreed to continue studying the issue in the coming months.

At issue is what restrictions the County should impose on non-residential structures such as churches, and schools, in the rural area.

Significant time was set aside for council debate and public testimony. During the months of council consideration, parties on all sides engaged in drafting what they hoped might be compromise proposals. The final product, approved by a council vote of seven to six, contained certain environmental considerations, but was vetoed by the executive on the grounds that it did not go far enough. Just before passing the environmental package, the council repealed the moratorium on building churches and schools in the rural area. The executive signed that measure, agreeing with the council majority that a cooling off period was necessary.

Council Chair Pete von Reichbauer says the moratorium served its intended purpose, providing a valuable period for collaborative discussions, significant public input and thoughtful council consideration of size limits and environmental regulations.

"The removal of this moratorium allows churches and schools to renovate inadequate and outdated facilities, and locate within the

communities they wish to serve," said von Reichbauer.

Of the majority council's proposal vetoed by the executive, von Reichbauer says the measure would have provided landmark legislation creating the foundation for managing growth and protecting the character of rural areas.

"I agree there is more work to be done. That is why I, as the chair of the council, will name a Select Task Force made of councilmembers and citizens to engage with the executive in collaborative discussions over the issues in dispute. I look forward to this Select Task Force advancing discussions with the executive and all interested parties in finding the appropriate balance between growth and preservation," said von Reichbauer.

"As the council continues studying this issue, I believe the ultimate solution will include environmental protections and preserve the character of rural King County," said Growth Management and Unincorporated Areas Committee Chair Cynthia Sullivan.

"We will also strive to enact regulations that exist harmoniously with state-wide growth management laws."



Water Taxi and Sounder Steaming Toward Ridership Records

The Elliott Bay Water Taxi carried its 50-thousandth rider weeks before expected this summer and Sound Transit's Sounder is steaming toward its one-year anniversary with record ridership.

Sounder Commuter Rail has exceeded 12,000 riders for each of the past six weeks. This represents a 100% increase over the number of passengers carried in its first two weeks of service.

Sounder service began September 25, 2000 between Seattle and Tacoma. Future extensions north to Everett and south to Lakewood are underway.



The Water Taxi can be boarded at Seattle's Pier 54.

"People are leaving congested roadways and moving toward alternative forms of transportation,"

said Councilmember Greg Nickels. "As a chief supporter of the Water Taxi and the Sounder, I am pleased by the ridership numbers and look forward to reaching the long-term goal of reduced congestion on our roads."

The Elliott Bay Water Taxi is currently operating a one-year pilot program to demonstrate the year-round need for commuter service between West Seattle and downtown.

Water Taxi Ridership Figures

Total of week August 13, 2001 – **6,183**

Total riders as of August 19, 2001 – **78,949**

Sounder Trains Ridership Figures

Total of week August 20, 2001 - **12,474**

Total riders from January 1 to August 24, 2001 - **343,429**

Total Sounder passengers since service inception – **433,031**

"The bottom line is, urban areas will receive funds for local improvements, while rural residents will be compensated for keeping their rural land rural." -- Councilmember Larry Phillips.

Council Adopts Permanent TDC Program

Recognizing the value and success of a voluntary, incentive-based effort to preserve open-space lands, the Metropolitan King County Council has approved permanent status for the Transfer of Development Credit (TDC) program.

"We will be creating new housing in urban neighborhoods while preserving our rural landscape at the same time," said Councilmember Larry Phillips, who chairs the council's Natural Resources Committee and was the measure's prime sponsor.

The TDC program allows developers to purchase "development credits" and exceed certain building size and height restrictions in urban areas, in exchange for preserving open space in rural King County. Since its inception, King County has used the program to permanently preserve 700 acres of open

space land with an estimated public savings of \$8.3 million.

Examples of open space lands preserved through TDC are the Issaquah Highlands and the Denny Park Interlocal Agreement with Seattle. The program has been honored with awards from the Planning Association of Washington, the Puget Sound Regional Council, and most recently, the National Association of Counties.

King County has a long tradition of developing innovative strategies to conserve environmentally sensitive lands that are essential to this region's quality of life. Protecting farms and forests, endangered species habitat and regional trails are goals of the countywide planning policies and the King County Comprehensive Plan.

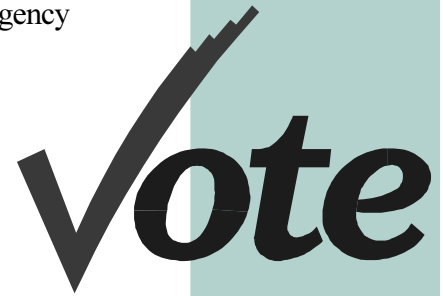
Medic One placed on November Ballot

This November, King County residents will be asked to vote on a six-year property tax levy dedicated to funding the Medic One program. If approved by voters, the levy rate would be \$0.25, or less, per \$1000 of assessed valuation.

The Metropolitan King County Council approved placing the measure on the ballot after reviewing the recommendations of the Emergency Medical Service (EMS) 2002 Task Force.

The task force was created to explore ways to provide stable funding the Emergency Medical Service program, studying twelve different funding options. Their determination was a voter-approved, six-year levy.

King County Medic One provides emergency care to the citizens and visitors of King County using specially equipped medic units.



Council Approves 2002 Sewer Rates Package

Continued from page 1

County's ability to meet unanticipated capital expenditures," said Larry Phillips, Vice Chair of the Council's Budget and Fiscal Management Committee. "We have seen the impact of the price spike on energy cost, so it pays to think ahead."

The package approved by the council sets sewage rates for 2002 at \$23.40 a month. The increase is due in a large part to rising energy costs and the continuing drought.

"Proactively adopting these financial policies protects the County's bond rating, allowing the county to borrow at more competitive rates," said Utilities and Technology Committee member Councilmember Cynthia Sullivan. "When we fund capital improvement projects at lower interest rates, we're protecting ratepayers from significant and annual service rate increases."

Earlier this year, the sewage treatment plant at Renton saw energy prices skyrocket, pulling an unexpected \$17 million from their operating budget. Instead of passing that expense on to ratepayers all at once, the council adopted a new accounting policy to

spread the impact over several months. The accounting practice will allow the County to spread out the cost for electricity in 2001 into the 2002 budget.

"We have been able to keep sewer rates stable since King County's merger with Metro in 1993," said Councilmember Louise Miller, Chair of the Council's Regional Water Quality Committee. "But with the unexpected increase in energy cost, there was no way around adjusting rates. The hope is with this package, consumers will see more cost certainty and stability, regardless of energy rates."

Unrelated to electricity costs, the body adopted a capacity charge, taking effect in 2002, of \$17.20 for new connections to the regional system. The package also sets the 2002 budget process for the Wastewater Treatment Division's Capital Improvement Program and authorizes a \$20 million supplemental appropriation to the 2001 Capital Improvement Program.



Councilmember Louise Miller currently chairs the council's Regional Water Quality Committee.

Council to Reconsider Downtown Seattle Tunnel Transfer



Councilmember Kent Pullen (right) explains how the proposed Bus Tunnel Transfer agreement will protect the county from financial risk.

The Metropolitan King County Council is considering new requirements for any renegotiated agreement transferring the Downtown Seattle Bus Tunnel to Sound Transit.

The current agreement assumes the transfer will occur in 2004. Sound Transit projects delays in

converting the tunnel to light-rail use thus putting the County at significant financial risk. Substantial changes in the transfer agreement will have to come before the council for approval. The proposed motion seeks to protect the County from financial risk and reduced ridership.

“The 1.3 mile Tunnel is the centerpiece of the local and regional King County Metro bus

system that serves millions of riders per year,” said the proposal’s chief sponsor Councilmember Les Thomas. “We shouldn’t ruin something that’s working well.”

Built to relieve traffic congestion on downtown streets, the 10-year old Downtown Seattle Transit Tunnel (DSTT) currently carries more than 23-thousand passengers a day, allowing 27 regional express routes – producing about a quarter of the rush hour bus traffic in downtown Seattle. The Tunnel moves buses almost three times faster than those on surface streets of the Central Business District. According to Metro and Sound Transit documents, downtown Seattle traffic congestion *will worsen* when light-rail arrives.

“We have to overcome the myth that light rail will automatically be better than running buses through the Tunnel,” said Councilmember Kent Pullen. “We’ve got to get some good management and some good planning in place before we go forward.”

Council Approves 2001 Video Voters' Guide

Need information on candidates? Tune in to your local government-access television channel and for the next few weeks you’re likely to see the 2001 Video Voters’ Guide. Recognizing its value as an educational tool designed to enhance voter education, the Metropolitan King County Council once again approved the production of the Video Voters’ Guide.

“Since 1993, the County has been getting the word out to voters by producing this valuable voter-education tool,” said, Councilmember Jane Hague. During her tenure as Manager of the County’s Records & Elections Division, Hague initiated the County’s first printed

Voters Pamphlet. “Putting this guide into video format supports my overall goal of keeping King County understandable, accessible, and accountable.”

Candidate participation in the guide is voluntary and available to all primary and general election candidates in the races for King County government offices, Seattle municipal races, Seattle School District board of directors and the Seattle port commission.

For specific air dates and times on King County Civic Television, visit the CTV Web site at <http://www.metrokc.gov/ctv>.

Redistricting will reshape Council boundaries

A bipartisan committee is redrawing King County's thirteen council district boundaries. Armed with year 2000 U.S. Census data, the five-member committee is working to balance the population counts in each of the districts.

The King County Charter requires that redistricting occur every ten years to reflect the County's population changes. Even distribution of the 1.7-million person population of King County (based on population data collected from the U.S. Census Bureau's 2000 Survey) requires that each council district encompass about 133-thousand people. Given the current council district boundaries and populations, that means five council districts must give up population so that the other eight can grow to equal representation.

The Metropolitan King County Council appointed four of the five committee members – two Republicans and two Democrats. In turn, those four appointed a fifth member to serve as chair. The committee chair is Jeffrey L. Fisher. The committee members are Wayne Ehlers, Michael Mann, Connie Marshall, and Mike Patrick. A districting plan

must be submitted by December 31st. The new district lines take effect in 2002.

Committee members have announced they will conduct four community meetings in September. The meetings are an opportunity for citizens to see several proposed redistricting maps under consideration by the committee. The public is invited to comment on the proposals, or provide their own thoughts on redistricting. The four community public meetings are scheduled as follows:

September 18th at 7:00 p.m.:

City Hall, Issaquah

September 19th at 7:00 p.m.:

Northshore Senior Center, Bothell

September 20th at 7:00 p.m.:

Regional Justice Center, Kent

For complete Districting Committee meeting schedules, proposals, and information, visit the committee's Web site at <http://www.metrokc.gov/mkcc/redistricting/index.htm>. Citizens can also click on the "Testify Online" link to submit testimony via the Internet.

Councilmember Phillips named Public Official of the Year

For the past 42 years, the Municipal League of King County has annually celebrated a select number of community and government leaders with their annual civic awards. This year's Public Official of the Year award was presented to a member of the Metropolitan King County Council – Councilmember Larry Phillips, of Council District Four.

In a ceremony at a recent council meeting, King County Executive Ron Sims praised Phillips' work. "Larry is a tireless worker for the environment and for good government,"

said Executive Sims. "His dedication serves as an inspiration and direction to those interested in public service. Whether it's protecting natural resources or guiding the King County Council through growth management issues, Larry Phillips is truly deserving of this recognition."

The Municipal League of King County is a voluntary civic organization that began in 1910, and is dedicated to effective and responsive government.



Councilmember Larry Phillips (center) is congratulated by County Executive Ron Sims (right) and Tom Page (left) of the Municipal League.

What's Been Happening...



Council Chairman Pete von Reichbauer with Councilmembers Dwight Pelz and Larry Gossett present a certificate of recognition to members of the Moriguchi family, honoring their 73 years of community involvement, contributions to Seattle's International District, and success with Uwajimay Village.

Council Chairman Pete von Reichbauer along with Councilmember Kent Pullen and Pat Steele, King County's Deputy Chief of Staff, met with members of the Koyang City Council, who traveled from Korea to the Pacific Northwest to learn about King County government.



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